

**Minutes
Waukesha County Executive Committee
December 12, 2011**

Committee Members Present:

Jim Dwyer (Chair)*	Pat Haukohl	Duane Paulson	Fritz Ruf
Janel Brandtjen	Dave Swan	Jean Tortomasi	

**Dwyer arrived at the meeting at 9:33 a.m. due to other county business.*

Others Present:

Eric Waldron of Wipfli LLP	Treasurer Pam Reeves
County Board Chief of Staff Mark Mader	Deputy Treasurer Terry Schultz
Legislative Policy Advisor Sarah Spaeth	Supervisor Bill Zaborowski
Internal Audit Manager Lori Schubert	Milwaukee 7 President Pat O'Brien
Director of Administration Norm Cummings	Emergency Preparedness Director Richard Tuma
Register of Deeds Jim Behrend	Business Services Administrator Donn Hoffmann
Accounting Services Manager Larry Dahl	Citizen Technology Advisor Jim Herzfeld
Information Technology Manager Mike Biagioli	Principle Information Technology Professional Tony Limoni
Jim Wall of the Milwaukee 7	Shelley Jurewicz of the Milwaukee 7
Waukesha County Economic Development Corporation (WCEDC) Executive Director Bill Mitchell	

Haukohl called the meeting to order at 8:30 a.m. and led the committee in the Pledge of Allegiance.

Correspondence

A list of correspondence was distributed.

Presentation, Discussion and Consideration of the Waukesha County Treasurer's Office Internal Audit Report

Waldron said it was outstanding working with Treasurer Reeves and her staff. The operational audit of the department found that the Treasurer's Office is doing what it is supposed to do under statutory requirements and has developed good documentation and an audit trail. Corrective action was immediately implemented upon discovery of the audit findings when possible. Waldron reviewed the Waukesha County Treasurer's Office Internal Audit Report including office overview and audit objectives, scope and findings.

Brandtjen explained that she does not like the terminology "no surprises audit" because it has connotations of collusion. Waldron said the term "no surprises audit" is used in this audit to describe the working relationship between the auditors and the Treasurer's Office staff. Wipfli actively communicated with Treasurer's Office staff and Waukesha County's Internal Audit Manager Schubert throughout the process to confirm Wipfli's working findings and to implement corrective action as soon as possible after discovery. Brandtjen also suggested including a glossary of acronyms in future audit reports.

It was concluded that the last sentence of the ninth bullet point on page 3 should read:

"The written report was also supplemented with an oral presentation to the Treasurer's Office and County's Internal Audit Manager during the audit closing meeting and to the County Board Executive Committee at a regular meeting."

Schubert agreed with Paulson's observation that the report does not highlight all of the Treasurer's Office's well functioning processes and procedures.

Swan asked how long were individuals able to modify the automatic clearinghouse (ACH) templates in the JP Morgan Chase system without needing a second individual to approve the change? Reeves described the process and controls associated with ACHs and the procedural changes related to dual controls made by JP Morgan Chase earlier this year. Reeves said she contacted the bank immediately after she was informed by Wipfli of the issue and made changes to system access rights. The only risk involved was possible overpayment of bills. Swan said he would have liked the dates the new procedure went into effect and when the problem was identified included in the report. Schubert and Waldron agreed the dates could be reconstructed. Schubert said the issue was corrected the same day it was found and while Waldron was on site. Waldron said dates are generally included in audit reports when issues are not corrected. Staff literally corrected the problem immediately. Paulson said he is comfortable the issue did not occur for years and that it was corrected immediately. Waldron said all findings except #5 were corrected during the audit process.

Tortomasi asked are bank account reconciliations typically completed within three weeks? Schultz said the Treasurer's Office has had a policy requiring bank reconciliation be completed by the 20th day of the following month. Reconciliation is normally completed by the deadline. The January 2011 reconciliation was late due to extenuating circumstances related to running parallel tax systems during a busy time. Reeves said she, Schultz and a DOA staff member met when the issue arose to discuss the delay, which has only occurred once. The deadline was in place when the delay occurred. Waldron said the department has to prioritize during busy times. Reconciliation is very important and should be done as soon as possible.

Paulson asked are tax checks put in the bank when received? Reeves said the prior tax system had a system limitation that required her office to hold tax checks during February settlement in the office safe instead of depositing them immediately in the bank. The new system is a beautiful thing and free of this limitation so there is no longer a need to hold checks during this time. Waldron said auditors were aware during the audit process that the new tax system was free of this flaw but included the finding as an informational point to identify that it had been addressed. Cummings explained how checks are processed and said the Treasurer's Office should have deposited checks during this time regularly into a suspense account rather than holding them in the safe.

Haukohti asked how many checks are returned to taxpayers because the county is unable to determine which accounts to credit? Reeves said staff is very good at determining how to apply personal checks. At times checks received from government agencies and title and mortgage companies lack proper documentation indicating which accounts to credit. Modern business practices make it challenging to ask questions of a live person at these establishments.

Paulson asked is there anyway staff could have altered records requested by and sent to the auditors? Waldron said it's not an impossibility but employees are unaware which records will be requested and auditors ask for a wide variety of records.

Tortomasi asked is the dormant Wells Fargo account still open? Schultz said a recently approved ordinance allowed for the closure of the account.

Brandtjen asked Reeves and Schultz if the audit provided a feeling of security? Reeves and Schultz agreed it felt good knowing the Treasurer's Office has appropriate quality control measures in place.

Brandtjen requested the initiation of a written policy barring a staff member from processing her own tax payments. Reeves agreed to formulate a policy. Schultz said she pays her taxes to a village. Reeves said she has someone else in the office process her tax bill and would never process her own.

Motion: Brandtjen moved, Tortomasi second to accept the Waukesha County Treasurer's Office internal audit report. Motion carried 7-0.

Schubert thanked the staff of the Treasurer's Office and Wipfli for a great collaborative effort.

Approve Minutes of November 14, 2011

Motion: Tortomasi moved, Swan second, to approve the minutes of November 14, 2011 as amended.
Motion carried 7-0.

Legislative Update

Spaeth said last week the State Department of Administration ordered all departments to devise plans to deal with expected revenue shortages. The Department of Corrections is considering cutting Youth Aids funding allocations an additional 7%. This reduction is significant for Waukesha County since the Department of Health and Human Services (HHS) is already dealing with 10% funding cuts to this fund. Waukesha County HHS and Department of Administration (DOA) staff has been notified.

The legislature is on break and will be in back in session January until March 2012. Spaeth said she is working with Representatives Kramer and Knodl on AB 303. It appears the bill will pass in both Houses. Last week Spaeth attended the signing of AB 60 in the Governor's Office.

Dwyer arrived at 9:33 a.m. after attending a Criminal Justice Collaborating Counsel (CJCC) meeting.

Discuss and Consider the Following Appointments

Motion: Paulson moved, Tortomasi second, to approve the following appointments en masse:

- 166-A-037: Eric R. Holmes to the Veterans Service Commission
- 166-A-038: Kathleen M. Roe to the Waukesha County Traffic Safety Commission
- 166-A-039: Duane H. Bluemke to the Airport Commission
- 166-A-040: Janet E. Rodell to the Sheriff Civil Service Commission
- 166-A-041: Nicholas Jordan to the County Zoning Board of Adjustment

Motion carried 7-0.

County Board Committee Reports by Committee Chairs for the Following 2011 Meetings

Finance-November 16-Haukoil said the committee approved four ordinances and a County Clerk fund transfer. The committee also heard reports on third quarter investments and special revenue funds.

HHS-December 8-Brandtjen said the committee approved Ordinance 166-O-083, heard a presentation on the county's Humane Animal Welfare Program and an update on funding for a homeless program in the City of Waukesha.

Public Works-December 8-Swan said the committee approved Ordinance 166-O-081, had presentations on the Automatic Vehicle Location (AVL) System and Weather Service, and HHS building and county grounds service center.

Judiciary-December 9-Tortomasi said the committee approved Ordinances 166-O-082, 166-O-083 and 166-O-085.

Report on the Milwaukee 7

Mitchell provided history of the Milwaukee 7 (M7), a regional entity charged with growing, expanding and attracting world class businesses and talent to the Milwaukee region. Mitchell was involved in the creation and organization of the M7 and the development of its tactical groundwork. He cited Thomas Magnete and Milwaukee Electric Tool as two M7 successes.

Jurewicz said the object of the cluster development of food manufacturing/production and food equipment manufacturing is to develop more competitive, integrated and recognized food industry value proposition to create jobs and increase payroll and capital investment. The M7 Food Industry Advisory Council was brought together to develop deeper industry intelligence and build a strong industry network and strategy resulting in sector growth and regional attention. The mission of the food and beverage industry network is to connect and engage food industry leaders across the region's food system and value chain to elevate the Milwaukee region as a place to expand, locate or start a food business. The vision of the group is to make the Milwaukee region a recognized center for food innovation. A new website was designed to serve as the network's regional industry portal and collaborative industry platform and includes a food industry job board and career center.

Jurewicz distributed and reviewed a food industry marketing piece titled *Milwaukee Region, Southeast Wisconsin's Food Industry* including regional snapshot, food and beverage manufacturing statistics, listing of regional food manufacturers and producers, and processing and packaging equipment manufacturers, location quotient of food industry occupations, food educational opportunities in the state and region, cost of doing business, M7 Network Advisory Council members and the mission of the M7 Food industry network. Jurewicz said there is no other network or website like this one in the country. The network will help get the region on the radar of food site selectors and eventually wrap around services as the network gets stronger.

Dwyer said it is important to make people aware of the financial support given to the M7 by counties in the region. This is another tool in M7s economic toolbox. Jurewicz agreed with Dwyer's message.

Ruf noted the materials did not mention cheese manufacturing. Jurewicz said she was not aware it was happening in this region and welcomed additional information.

Dwyer asked what is M7 doing to keep Kohl's in Menomonee Falls? Jurewicz said M7 has been proactive with Kohl's and will be responsive as the company assesses its options.

Brandtjen said she hopes the Food Industry Network is not "reinventing the wheel." Jurewicz said she is taking the lead from food industry CEOs.

Jurewicz briefly talked about the M7s Water Counsel.

Future Agenda Item

Presentation on M7's water cluster

Update and Discussion of the following Information Technology (IT) Projects

A handout titled *Depts. Administration Information Technology Division Project Status Report for Executive Committee Period ending December 9, 2011* was distributed and reviewed by Biagioli, Hoffmann, Limoni and Dahl.

Tax System Replacement-Hoffmann said the county successfully transitioned off the old tax system (P390) to the new property tax application on September 12. The new system was used to produce the 2011 tax bills.

Paulson commented on the difference between the original estimated IT project hours (4,500) versus the IT hours invested in the project to date (18,937). Biagioli said project expenses and staff time are not complete. The original timeline of 18 to 24 months did not work out as planned. The actual project time has been extended to six years. Reeves commented she began working on this project two to three years before IT got involved.

Countywide Cashiering-Hoffmann said recent progress on this project includes the integration of the ice arenas and Treasurer's and County Clerk's Offices, upgrade of tender-type processing and installation of point of sale terminals at the county golf courses. HHS will convert to the system in spring 2012 when the vendor is scheduled to deliver an enhancement to separate account view access between departments and address HIPAA requirements. The Sheriff's Department will continue using nonintegrated countywide cashiering until the Spillman public safety module is upgraded and allows integration. During the later part of 2012, the county will be looking for solutions and collaborations to convert the courts to countywide cashiering. Conversions to the countywide cashiering and new financial management system need to be carefully timed. Big picture project activities are scheduled through project completion with more exact timelines being developed as the project advances. Brandtjen asked is there enough money remaining in the project budget to complete the project? Hoffmann said no additional money is needed.

Brandtjen said the amount of money spent on IT projects is astronomical and delaying projects costs departments time and money. IT should do whatever possible to ease departmental burdens. The county needs to keep up on current technology. Many of these systems are dinosaurs. She can purchase an app for \$50 to process credit cards on her smart phone.

Herzfeld asked did the county need to improve PCI compliance for the countywide cashiering system? Hoffmann said Active Network is in compliance of all standards.

Financial Management –Biagioli said New World employees, county staff and the county's contracted project manager began reviewing the proposed project plan, timeline and framework and SharePoint document repository site. Project kick-off is December 13 and 14 followed by software installation next week, three weeks earlier than anticipated. The conversion process will begin in February 2012 and the targeted go-live date is January 1, 2013. The goal is to build the 2013 budget with the new system. Discontinuing use of the Oracle environment will achieve a significant return on investment.

Swan asked how much experience does New World have? Biagioli said this is New World's only marketplace and the request for proposal (RFP) was strong. Waukesha County is using the system with few modifications. Biagioli said the calls to references provided a helpful list of system "do's" and "don'ts." Dahl said the project manager was given the task of changing county procedures to fit with New World functioning.

Herzfeld asked does IT foresee any interface issues? Biagioli said the system has direct import capability and can document all data components. A large amount of time will be spent mapping the current system to the new one.

Brandtjen asked does the program budget cover personnel costs? Biagioli said this is a capital project. The budget does not include personnel costs.

Enterprise Asset Management System-The New World's asset management system module will work with a limited number of Waukesha County departments but not public works or land use. The county will evaluate needs for an additional asset management system and hopefully only two systems will be needed. Cummings said funds from the financial management project maybe used for this project.

Enterprise Content Management-Biagioli said proof of concept development for the Medical Examiner's Office has been completed and accepted. A consultant will knowledge transfer in order to learn how to best use the system. After training is deployed, use of email archiving capabilities will be available after January 2012.

Brandtjen asked is IT being mindful of security issues, encryption and HIPAA regulations? Biagioli said the environment will allow the system to be fully or partially encrypted and masked when necessary. The county already has security and HIPAA policies and procedures in place. Brandtjen said she hopes IT is following HIPAA rules and encryption on tax records. Reeves explained that HIPAA rules do not relate to tax records because they are public information.

Workforce Management System-Dahl said the vendor was onsite to work on work rules, and test plan updates and system configurations. Eighty people have been trained to be part of the pilot and parallel testing program. The system is scheduled to go live during the third quarter of 2012.

Herzfeld said he worked for a business that used Ceridian for employees with shift differentials and found the system insufficient for overtime and shift management and dynamic scheduling.

Computer Aided Dispatch (CAD) System Replacement-Hoffmann said staff will decide this week when the new CAD system will go live which will be between February 27 to March 27, 2012. There have been ongoing protocol meetings with police, fire and internal staff, training for communications center supervisors and testing of the mapping portion. So far the system is very promising.

In response to Paulson's question, Hoffmann said the protocols are not changing fundamentally. Standard operating procedures will remain while enhanced capabilities will be provided for dispatch staff. The police and fire mobile applications are far greater than the current applications.

Educational Presentation of the IT Project Selection Process

Committee members received informational handouts on the IT project selection process in the mail with other meeting materials.

Mader, a member of the IT advisory committee, said it has been awhile since the group met. Biagioli said the advisory committee meets when new capital initiatives are received. IT documents significant efforts and investments required by state mandated projects to reflect the ROI, which is most always negative. ROI is a good way for departments to determine when IT projects are worthwhile. IT projects funded by departmental funding are evaluated and if appropriate, completed if/when staff time is available. Ninety-

five percent of submitted project requests require department level funding. IT staff does not work on projects that are discretionary and not in the budget. Biagioli highlighted solutions IT used to make the county's business continuity system viable when no funding was available to upgrade the old software.

Discuss Ideas for 2012 WCA Conference Breakout Session Topics

Dwyer instructed committee members to forward ideas for the WCA conference breakout sessions to the county board office.

Motion: Swan moved, Paulson second, to adjourn the meeting at 12:15 p.m. Motion carried 7-0.

Respectfully submitted,



Janel Brandtjen
Secretary

